

**State of Rhode Island and Providence Plantations**  
**DEPARTMENT OF BUSINESS REGULATION**  
*Division of Insurance*  
**233 Richmond Street**  
**Providence, RI 02903**

**INSURANCE REGULATION 61**

**ACTIVATION OF A DOMESTIC INSURANCE CHARTER**

Pursuant to the aforementioned Rule, the following information must be supplied to and filed with the Rhode Island Department of Business Regulation, Insurance Division, before any person, partnership, or corporate entity will activate a domestic insurance charter:

1. *State the name and address of the domestic charter to which the filing relates and a brief description of how control was acquired.*
2.
  - (a) *State the name and address of the applicant seeking to activate the charter.*
  - (b) *If the applicant is not an individual, state the nature of its business operations for the past five years or for such lesser period as such person and any predecessors thereof shall have been in existence.*
  - (c) *Furnish a chart or listing clearly presenting the identities of the inter-relationships among the applicant and all affiliates of the applicant. No affiliate need be identified if its total assets are equal to less than 1/2 of 1% of the total assets of the ultimate controlling person affiliated with the applicant. Indicate in such chart or listing the percentage of voting securities of each such person which is owned or controlled by the applicant or by any other such person. If control of any person is maintained other than by the ownership of control of voting securities, indicate the basis of such control. As to each person specified in such chart or listing indicate the type of organization (e.g., corporation, trust, partnership) and the state or other jurisdiction of domicile. If court proceeding looking toward a reorganization or liquidation are pending with respect to any such person, indicate which person, and set forth the title of the court, nature of proceedings and the date when commenced.*
3. State the following with respect to (1) the applicant if he is an individual or (2) all persons who are directors, executive officers or owners of ten (10)

percent or more of the voting securities of the applicant if the applicant is not an individual:

- (a) Name and business address;
  - (b) Present principal business activity, occupation, or employment including position and office held and the name, principal business and address of any corporation or other organization in which such employment is carried on;
  - (c) Material occupations, positions, offices or employment during the last five years giving the starting and ending dates of each and the name, principal business and address of any business corporation or other organization in which each such occupation, position, office or employment was carried on; if any such occupation, position, office or employment required licensing by or registration with any federal, state or municipal governmental agency, indicate such fact, the current status of such licensing or registration, and an explanation of any surrender, revocation, suspension or disciplinary proceedings in connection therewith;
  - (d) Whether or not such person has ever been convicted in a criminal proceeding (excluding minor traffic violations) during the last ten years and, if so, give the date, nature of conviction, name and location of court, and penalty imposed or other disposition of the case.
4. (a) Describe the nature, source and amount of funds or other considerations used or to be used in effecting the activation of the charter. If any part of the same is represented or is to be represented by funds or other consideration borrowed or otherwise obtained for the purpose of acquiring, holding, or trading securities, furnish a description of the transaction, the names of the parties thereto, the relationship, if any, between the borrower and the lender, the amounts borrowed or to be borrowed, and copies of all agreements, promissory notes and security arrangements relating thereto.
- (b) Explain the criteria used in determining the nature and amount of such consideration.
- (c) If the source of the consideration is a loan made in the lender's ordinary course of business and if the applicant wished the identity to remain confidential, he must specifically request that the identity be kept confidential.

5. (a) Describe fully the plan of operation of the domestic insurer.
  - (b) Indicate where the proposed administrative and operational location of the insurer will be.
6. (a) Financial statement and exhibits shall be attached to this statement as an appendix, but list under this item the financial statement and exhibits so attached.
  - (b) The financial statements shall include the annual financial statements of the persons identified in Item 2(c) for the preceding five fiscal years (or for such lesser period as such applicant and its affiliates and any predecessors thereof shall have been in existence), and similar information covering the period from the end of such person's last fiscal year, if such information is available. Such statements may be prepared on either an individual basis, or, unless the Commissioner otherwise requires, on a consolidated basis if such consolidated statements are prepared in the usual course of business.

The annual financial statements of the applicant shall be accompanied by the certificate of an independent public accountant to the effect that such statements present fairly the financial position of the applicant and the results of its operations for the year then ended, in conformity with generally accepted accounting principles or with requirements of insurance or other accounting principles prescribed or permitted under law. If the applicant is an insurer which is actively engaged in the business of insurance, the financial statements need not be certified, provided they are based on the Annual Statement of such person filed with the Insurance Department of the person's domiciliary State and are in accordance with the requirements of insurance or other accounting principles prescribed or permitted under the law and regulations of such state.

EFFECTIVE DATE:	September 23, 1981
AMENDED:	None
REFILED:	January 2, 2002